

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Combined Balance Sheet**  
**As of 9/30/2001**

	As of <u>9-30-01</u>	As of <u>6-30-01</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 1,115,728,254	\$ 1,308,028,885
INTERNATIONAL EQUITIES	460,768,506	514,564,916
DOMESTIC FIXED INCOME	1,220,382,641	1,202,840,894
INTERNATIONAL FIXED INCOME	135,157,151	125,377,934
REAL ESTATE POOL	184,179,162	208,727,065
VENTURE CAPITAL	82,234,976	98,385,006
INVESTED CASH (NOTE 1)	<u>81,258,319</u>	<u>58,551,081</u>
 TOTAL INVESTMENTS	 3,279,709,009	 3,516,475,781
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	21,742,847	20,263,974
CONTRIBUTIONS/ASSESSMENTS REC	4,445,562	6,616,070
MISCELLANEOUS RECEIVABLES	<u>1,498</u>	<u>2,166</u>
 TOTAL RECEIVABLES	 26,189,907	 26,882,210
 <b>OTHER ASSETS</b>		
OPERATING CASH (NOTE 2)	6,641,508	6,187,672
DUE FROM OTHER AGENCIES (NOTE 3)	4,180	53,684
FIXED ASSETS (NET) (NOTE 4)	<u>8,684</u>	<u>8,684</u>
 TOTAL ASSETS	 <u><u>\$ 3,312,553,288</u></u>	 <u><u>\$ 3,549,608,031</u></u>
 <b>LIABILITIES:</b>		
ACCOUNTS PAYABLE	2,545,650	2,673,785
ACCRUED EXPENSES	275,810	240,023
DUE TO OTHER AGENCIES (NOTE 5)	<u>4,179</u>	<u>53,684</u>
 TOTAL LIABILITIES	 2,825,639	 2,967,492
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,546,640,539	3,701,142,773
CASH IN DURING YEAR (NOTE 6)	108,821,415	234,522,531
CASH OUT DURING YEAR (NOTE 7)	61,387,909	228,052,300
NET INCREASE (DECREASE)	<u>(284,346,396)</u>	<u>(160,972,465)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>3,309,727,649</u>	 <u>3,546,640,539</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 3,312,553,288</u></u>	 <u><u>\$ 3,549,608,031</u></u>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Combined Profit and Loss Statement**  
**For the Month Ended 9/30/2001**

	Month Ended <u>9-30-01</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 11,756,009	\$ 31,802,946
SECURITIES LENDING INCOME	<u>884,061</u>	<u>2,987,399</u>
	12,640,070	34,790,345
 GAIN ON SALE OF INVESTMENTS	 28,742,501	 88,884,482
LOSS ON SALE OF INVESTMENTS	<u>53,119,415</u>	<u>134,622,516</u>
 NET GAINS (LOSSES) INVESTMENTS	 (24,376,914)	 (45,738,034)
 INVESTMENT EXPENSES	 67,589	 2,755,196
SECURITIES LENDING EXPENSES	<u>821,390</u>	<u>2,743,201</u>
 NET INVESTMENT INCOME	 (12,625,823)	 (16,446,086)
 NET APPREC (DEPREC) MARKET VALUE	 (160,117,195)	 (257,224,228)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(18,168)</u>	<u>(10,973)</u>
 TOTAL INVESTMENT INCOME	 (172,761,186)	 (273,681,287)
 CONTRIBUTIONS & ASSESSMENTS (NOTE 8)	 5,008,017	 6,559,096
PURCHASED SERVICE CREDIT (NOTE 9)	49,785	551,965
PENALTY & INTEREST (NOTE 10)	<u>1</u>	<u>1</u>
 TOTAL ADDITIONS	 <u>(167,703,383)</u>	 <u>(266,570,225)</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 11)	5,647,633	16,848,450
REFUNDS TO MEMBER (NOTE 12)	<u>237,579</u>	<u>652,316</u>
 TOTAL BENEFITS PAID	 5,885,212	 17,500,766
 ADMINISTRATIVE EXPENSES		
SALARIES AND BENEFITS	64,356	193,080
OPERATING EXPENSES	16,850	77,675
EQUIPMENT	<u>0</u>	<u>4,650</u>
 TOTAL ADMINISTRATIVE EXPENSES	 <u>81,206</u>	 <u>275,405</u>
 TOTAL DEDUCTIONS	 <u>5,966,418</u>	 <u>17,776,171</u>
 NET INCREASE (DECREASE)	 <u><u>\$ (173,669,801)</u></u>	 <u><u>\$ (284,346,396)</u></u>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Notes to Combined Financial Statement**  
**September 30, 2001**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**                    **INVESTED CASH**

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

**NOTE 2**                    **OPERATING CASH**

Money market and checking accounts at the Bank of North Dakota and RIO's operating account at the State Treasurer's Office.

**NOTE 3**                    **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

**NOTE 4**                    **FIXED ASSETS**

Office furniture and equipment capitalized by RIO, shown net of depreciation. Depreciation is calculated straight-line, over five years.

**NOTE 5**                    **DUE TO OTHER AGENCIES**

Amounts received from agencies in excess of amounts allocated for RIO administrative expenses.

**NOTE 6**                    **CASH IN DURING YEAR**

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

**NOTE 7**                    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Notes to Combined Financial Statement**  
**9/30/2001**

NOTE 8                      CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 9                      PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

NOTE 10                    PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 11                    BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 12                    REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.